## Western Connecticut COUNCIL OF GOVERNMENTS



March 2, 2022

Esteemed Chairs Fonfara and Scanlon Members of the Finance, Revenue and Bonding Committee:

The Western Connecticut Council of Governments (WestCOG) appreciates the opportunity to comment on Senate Bill 21, An Act Concerning a State-wide Property Tax on Certain Residential Real Property. WestCOG strongly opposes this bill.

The property tax is the largest single tax in Connecticut, and households in Connecticut have the second highest average property tax bills of any state in the country. Yet rather than reducing this overdependence, the bill would exacerbate it by overlaying a second, new property tax over the existing property tax.

Concerningly, the burden of this tax would not be equally distributed but in large part would focus on low- and moderate-income households. In taxing only residential properties that are assessed at \$1.2 million or more, the bill would raise taxes on some of the state's most affordable housing – apartment buildings. It can be expected that landlords would pass this new tax to their tenants in the form of higher rent, decreasing the affordability of multifamily housing and increasing the burden that housing costs place on tenants.

The property tax is widely regarded as a drag on the state's economic competitiveness and as inequitable. SB 21 would not diminish these problems but would double down on them, and WestCOG urges your Committee to reject this bill and any other proposals that would add to the property tax burden.

Should you have questions, please do not hesitate to contact me.

Thank you for your consideration.

Francis R. Pickering Executive Director

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